

1 CRAIG ORLAND LAKE  
2 7951 Broadway  
3 Lemon Grove, California [91945]  
4 Telephone: (619) 279-1737  
5 Facsimile: (619) 462-1833  
6 E-Mail: [colake@cox.net](mailto:colake@cox.net)  
7 In Pro Per

**NUNC PRO TUNC**

**MAR 20 2008**

**FILED**

**08 MAR 21 PM 1:12**

U.S. DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

*JMS*

DEPUTY

8 **UNITED STATES DISTRICT COURT**  
9 **SOUTHERN DISTRICT OF CALIFORNIA**

11 UNITED STATES OF AMERICA,  
12 Plaintiff,

Civil No. 07cv2100-DMS(AJB)

13 v.

**PROPOSED ANSWER TO COMPLAINT**

14  
15 ONE BENTLEY FLYING SPUR SEDAN,  
16 CALIFORNIA LICENSE NO. 5GAG721  
17 VIN SCBBR53WX6C036543,  
18 ITS TOOLS AND APPURTENANCES,  
19 Defendant

20 Comes now CRAIG ORLAND LAKE, claimant for defendant and proposed answer the  
21 complaint on file as follows:

22 Claimant for defendant unequivocally alleges that he has no facts sufficient with respect to all  
23 allegations in the complaint. If pleading in the alternative and if the facts alleged do constitute some  
24 truth, the transfer of the defendant for property makes all allegations null and void. When this honorable  
25 court finds in favor of defendant, any and all allegations will be rectified.

26 Attached, herewith, are documents to be made a part of this Proposed Answer to Complaint:

- 27 1. Exhibit A: Copy of front and back of Certificate of Title of defendant  
28 2. Exhibit B: Vehicle insurance policy information of defendant  
29 3. Exhibit C: Bill of Sale of defendant  
30 4. Exhibit D: Correspondence to attorney for plaintiff, BRUCE CAMPBELL SMITH.

1 WHEREFORE, claimant for defendant, CRAIG ORLAND LAKE, prays for release of defendant  
2 to claimant.  
3  
4  
5

6 Dated: 03-20-08

Craig O Lake  
CRAIG ORLAND LAKE  
In Pro Per  
7951 Broadway  
Lemon Grove, California 91945  
Telephone: (619) 279-1737

# STATE OF CALIFORNIA

## CERTIFICATE OF TITLE

VEHICLE HISTORY

V35060324AS

AUTOMOBILE

VEHICLE ID NUMBER

SCBBS53WXB036543

BODY TYPE MODEL

SD

AX UNLADEN WEIGHT

FUEL G

TRANSFER DATE

YR MODEL

2006 BENT

MAKE

PLATE NUMBER

5GAG721

REGISTRATION EXPIRATION DATE

03/08/2007

FEES PAID

\$1279

YR 1ST SOLD

2006 MA

CLASS

YR

MO MR

EQUIPMT/TRUST NUMBER

ISSUE DATE

04/02/06

MOTORCYCLE ENGINE NUMBER

ODOMETER DATE

03/07/2006

ODOMETER READING

30 MI

ACTUAL MILEAGE

REGISTERED OWNER(S)

CAO JEREMY

13 ALLYSSUM

RCHO STA MARG CA 92688

I certify under penalty of perjury under the laws of the State of California, that THE SIGNATURE(S) BELOW RELEASES INTEREST IN THE VEHICLE.

1a. 2/27/2007 X

DATE

SIGNATURE OF REGISTERED OWNER

1b. X

DATE

SIGNATURE OF REGISTERED OWNER

Federal and State law requires that you state the mileage upon transfer of ownership. Failure to complete or providing a false statement may result in fines and/or imprisonment.

The odometer now reads (no tenths), miles and to the best of my knowledge reflects the actual mileage unless one of the following statements is checked.

WARNING ☐ Odometer reading is not the actual mileage. ☐ Mileage exceeds the odometer mechanical limits.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

DATE	TRANSFEROR/SELLER SIGNATURE(S)	DATE	TRANSFeree/BUYER SIGNATURE(S)
	X		X
PRINTED NAME OF AGENT SIGNING FOR A COMPANY		PRINTED NAME OF AGENT SIGNING FOR A COMPANY	

### IMPORTANT READ CAREFULLY

Any change of Lienholder (holder of security interest) must be reported to the Department of Motor Vehicles within 10 days.

LIENHOLDER(S)

2. X Signature releases interest in vehicle. Company names must be countersigned.  
Release Date 2/27/2007

CA94450860  
009032

REG. 17.30A (REV. 10/03)

KEEP IN A SAFE PLACE - VOID IF ALTERED

VOID WITHOUT BEAR WATERMARK - HOLD TO LIGHT TO VIEW

VOID WITHOUT BEAR WATERMARK - HOLD TO LIGHT TO VIEW

"A"

Any change of registered owner or lienholder must be recorded with the Department of Motor Vehicles (DMV) within ten (10) days. The title, transfer fee and in most instances, use tax and a smog certificate must be presented to DMV to record the ownership change.

3a. TRUE FULL NAME(S) OF NEW REGISTERED OWNER(S) (LAST, FIRST, MIDDLE) AS IT APPEARS ON DRIVER'S LICENSE OR I.D. CARD  
**LAKE CRAIG ORLANDO**

3b. ☐ AND ☐ OR (LAST, FIRST, MIDDLE)

4. STREET ADDRESS OR P.O. BOX NUMBER  
**7951 BROADWAY**

5. CITY  
**LEMON GROVE** STATE **CA** ZIP CODE **91945**

6. MAILING ADDRESS STREET OR P.O. BOX NUMBER (DO NOT COMPLETE IF SAME AS RESIDENCE ABOVE)

7. CITY STATE ZIP CODE

8. FOR TRAILER COACHES ONLY - ADDRESS OR LOCATION WHERE KEPT

I certify under penalty of perjury under the laws of the State of California that the information entered by me on this document is true and correct. If there is a mailing address entered on this form, it is a valid, existing and accurate address. I consent to receive service of process at this mailing address pursuant to Civil Procedures Code Sections 415.20(b), 415.30(a) and 416.90.

9a. DATE **02-27-07** SIGNATURE OF NEW REGISTERED OWNER **X G O Lake** CALIFORNIA DRIVER LICENSE OR ID CARD NO. **X 0948095** PURCHASE DATE **02-27-07**

9b. DATE SIGNATURE OF NEW REGISTERED OWNER **X** CALIFORNIA DRIVER LICENSE OR ID CARD NO. PURCHASE PRICE OR IF GIFT, SO STATE

10. ADDRESS OF NEW LESSEE IF DIFFERENT FROM LINE 4 ABOVE (WILL NOT BE PRINTED ON TITLE)

11. NAME OF LIENHOLDER - FIRM OR INDIVIDUAL HOLDING SECURITY INTEREST (IF NO LIEN, WRITE "NONE") DO NOT ENTER NAME OF REGISTERED OWNER(S) ABOVE ELECTRONIC LIENHOLDER ID  
**ELT #**

12. STREET ADDRESS OR P.O. BOX NUMBER

13. CITY STATE ZIP CODE

## TITLE REASSIGNMENTS BY LICENSED CALIFORNIA DEALERS

FEDERAL LAW REQUIRES that you state the mileage upon transfer of ownership. Failure to complete or making a false statement may result in fines and / or imprisonment.

I certify under penalty of perjury under the laws of the State of California that the signature below releases my interest in this vehicle, acknowledges the odometer mileage recorded by the seller, and certifies that the odometer reading entered above my signature (in compliance with Federal law) and the other information entered by me on this document are true and correct.

14. Odometer now reads: **11111** (no tenths) miles, and to the best of my knowledge reflects the actual mileage of the vehicle unless one of the following statements is checked: **WARNING** - Mileage ☐ is not the actual mileage. ☐ exceeds the odometer mechanical limits.

DATE SIGNATURE OF AUTHORIZED AGENT **X** PRINTED NAME OF AGENT DEALER NAME DEALER NUMBER

DATE BUYER'S SIGNATURE, ACKNOWLEDGES ODOMETER READING **X** PRINTED NAME OF BUYER OR AGENT SALES PERSON'S NO. DEALER NUMBER

SOLD THROUGH AUCTION IF APPLICABLE DATE OF AUCTION AUCTION NAME DEALER NUMBER

15. Odometer now reads: **11111** (no tenths) miles, and to the best of my knowledge reflects the actual mileage of the vehicle unless one of the following statements is checked: **WARNING** - Mileage ☐ is not the actual mileage. ☐ exceeds the odometer mechanical limits.

DATE SIGNATURE OF AUTHORIZED AGENT **X** PRINTED NAME OF AGENT DEALER NAME DEALER NUMBER

DATE BUYER'S SIGNATURE, ACKNOWLEDGES ODOMETER READING **X** PRINTED NAME OF BUYER OR AGENT SALES PERSON'S NO. DEALER NUMBER

16. Odometer now reads: **11111** (no tenths) miles, and to the best of my knowledge reflects the actual mileage of the vehicle unless one of the following statements is checked: **WARNING** - Mileage ☐ is not the actual mileage. ☐ exceeds the odometer mechanical limits.

DATE SIGNATURE OF AUTHORIZED AGENT **X** PRINTED NAME OF AGENT DEALER NAME DEALER NUMBER

DATE BUYER'S SIGNATURE, ACKNOWLEDGES ODOMETER READING **X** PRINTED NAME OF BUYER OR AGENT SALES PERSON'S NO. DEALER NUMBER

A (BACK)



**MERCURY INSURANCE COMPANY**

72

END.# 17

This endorsement forms part of the policy shown below, all other terms and conditions of this policy remain unchanged.

Policy No. : AP 27308279  
Insured : CRAIG O LAKE  
Effective Date : 04/13/2006

12:01 A.M.

**VEHICLE EXCLUSION**

It is agreed that the insurance afforded by this policy, or any continuation, renewal or replacement of this policy by the Named Insured or the reinstatement within 30 days of any lapse thereof, shall not apply to the

2006 BENTLY

1989 BENTLY

1984 VOLKSWAGEN VANAGON

1989 LINCOLN MARK VII #2832

or any replacement thereof or successive replacement without prior written approval from the Company or Producer

Producer HORTON INS AGCY, INC

3281

U-148 1/1994

**INSURED COPY**

"B"

HORTON INS AGENCY  
PO BOX 606  
LEMON GROVE, CA 91946

**PROGRESSIVE**

Underwritten by:  
United Financial Casualty Company  
December 14, 2007  
Policy Period: Jan 27, 2008 - Jan 27, 2009  
Page 1 of 2

KIVAH HOLDING CO  
DBA: GLYMAR REALTY & MORTGAGE  
SOME ST  
NEWPORT BEACH, CA 92660

Customer Phone number: 1-619-462-1833

## Commercial Auto Insurance Quote

Thank you for contacting me about your auto insurance needs. I am pleased to provide you with a quote from United Financial Casualty Company, a company that offers competitive rates and many outstanding services. Progressive gives you access to your policy information through [progressiveagent.com](http://progressiveagent.com), your customized Web site. Claims service is available 24 hours a day, 7 days a week by calling 1-800-274-4499.

### Policy information

Business type: Passenger Transportation (Not For Hire)  
Sub business type: Real Estate & Insurance

### Quote for 12 month policy period

If you pay your premium in full, you will receive a discount as shown.

Total policy premium	\$2,814.80
Paid in full discount	-132.00
Policy premium if paid in full	\$2,682.80

### Payment plans

Payment Method: 10 payments

**Electronic Funds Transfer (EFT)** assures that your payment is on time. Each payment includes a \$1.00 installment fee.

Payment plan	Total premium	Initial payment	Payments
11 Payments, 9.09% Down	\$2,814.80	\$280.23	10 payments of \$254.46
11 Payments, 16.67% Down	\$2,814.80	\$491.56	10 payments of \$233.33

**Make payments by mail** or at [progressiveagent.com](http://progressiveagent.com). Each payment includes a \$5.00 installment fee.

Payment plan	Total premium	Initial payment	Payments
10 Payments, 10.0% Down	\$2,814.80	\$305.60	9 payments of \$283.80
10 Payments, 20.0% Down	\$2,814.80	\$584.40	9 payments of \$252.83
10 Payments, 25.0% Down	\$2,814.80	\$723.80	9 payments of \$237.34
1 Payment	\$2,682.80	\$2,682.80	None
4 Payments, 25% Down	\$2,814.80	\$723.80	3 payments of \$702.00
OPF	\$2,814.80	\$2,814.80	None

### To purchase insurance

Please review the information on your quote for accuracy; incomplete and inaccurate information could affect your rate. These rates are subject to verification of information. If you have any questions or would like to purchase a Progressive policy, please call me at 1-619-465-9100. Your coverage will begin once your initial payment has been received. Thanks again for the opportunity to work with you.

  
Continued

KIVAH HOLDING CO  
Page 2 of 2

### Rated drivers

Failure to accurately and completely report all driver information may result in premium differences and service delays.

Name	Age	Marital Status	Points	Additional Information
CRAIG LAKE	57	Married	0	
DOUG DRIVER	31	Single	0	

### Outline of coverage

Description	Limits	Deductible	Premium
Liability To Others			\$943
Bodily Injury and Property Damage Liability	\$750,000 combined single limit		129
Uninsured/Underinsured Motorist	\$750,000 combined single limit		40
Medical Payments	\$5,000 each person		406
Comprehensive			
See Schedule Of Covered Autos	Limit of liability less deductible		1,270
Collision			
See Schedule Of Covered Autos	Limit of liability less deductible		
<b>Subtotal policy premium</b>			<b>\$2,788</b>
Additional Insured Fee			25.00
California Vehicle Assessment Fee			1.80
<b>Total 12 month policy premium</b>			<b>\$2,814.80</b>

### Auto coverage schedule

1. **2006 BENT CONTINENTAL FLY** Stated Amount: \$125,000  
VIN: **SCB8R53WX6C036543** Garaging Zip Code: 92660

Liability Premium	Liability	UM/UIM BI	Med Pay		
	943	129	40		
Physical Damage Premium	Comp Deductible	Comp Premium	Coll/Waiver Deductible	Coll/Waiver Premium	Auto Total
	\$2,500	406	\$2,500	1270	<b>\$2,788</b>

Form QTE CA (08/07)



REAL ESTATE PURCHASE CONTRACT AND RECEIPT FOR DEPOSIT

THIS IS MORE THAN A RECEIPT FOR MONEY. IT IS INTENDED TO BE A LEGALLY BINDING CONTRACT. READ IT CAREFULLY.

CALIFORNIA ASSOCIATION OF REALTORS STANDARD FORM

San Diego, California

80 ACRES OF UTAH PROPERTY

February 27, 2007

Received from Skyline Truck Trail owner herein called Buyer, the sum of Five Thousand and 00/100 Dollars \$ 5,000 evidence by cash, cashier's check, or X personal check payable to Allison McCloskey Escrow, to be held uncashed until acceptance of this offer, as deposit on account of purchase price of Nine Hundred Twenty Five Thousand Dollars \$ 925,000 for the purchase of property, situated in San Diego, County of San Diego, California, described as follows: 8240 Alton Dr

LAND BASIN TITLE

1. Buyer will deposit in escrow with Allison McCloskey the balance of purchase price as follows:

- Skyline Truck Trail owner to exchange House with equity of \$800,000 for 8240 Alton Dr with \$800,000 Equity.
- Skyline Truck Trail owner to qualify and obtain new loan of \$125,000 (\$925,000 Price-\$125,000 New Loan=\$800,000 Equity).
- 8240 Alton Dr owner to qualify and obtain new loan of \$2,200,000 (\$3,000,000 Price-\$2,200,000 New Loan=\$800,000 Equity).
- 8240 Alton Dr owner may receive a portion of his equity in cash.
- Subject to approval of terms, conditions, and interiors of all properties.
- Properties other than 8240 Alton Dr may be substituted or added.
- Either party may generate additional cash through this exchange.
- If property is listed please forward to your agent.
- If property is not for sale, please disregard this offer.

TOWNSHIP 4 S.  
RANGE 7W  
UNITAH SPECIAL BASED  
MERIDIAN -  
The NW 1/4 of the SW 1/4  
the SE 1/4 of the SE 1/4

2006 Bentley

FOR

See attached

Set forth above any terms and conditions of a factual nature applicable to this sale, such as financing, prior sale of other property, the matter of structural pest control inspection, repairs and personal property to be included in the sale.

2. Deposit will / X will not be increased by \$ \_\_\_\_\_ to \$ \_\_\_\_\_ within \_\_\_\_\_ days of acceptance of this offer.

3. Buyer does / X does not intend to occupy subject property as their residence.

4. The following supplements are incorporated as part of this agreement: NONE Other \_\_\_\_\_

Structural Pest Control Certification Agreement

Occupancy Agreement

X

Special Studies Zone Disclosure

VA Amendment

X

Flood Insurance Disclosure

FHA Amendment

X

5. Buyer and Seller shall deliver signed instructions to the escrow holder within 15 days from Seller's acceptance which shall provide for closing within 45 days from Seller's acceptance. Escrow fees to be paid as follows: 50% Buyer/ 50% Seller

6. Buyer and Seller acknowledge receipt of a copy of this page, which constitutes page 1 of 2 pages.

CAR

CAR

Buyer For Skyline Truck Trail owner

Seller THN

2/27/2007

Buyer

Seller

PROPERTY

Craig Lake 02-27-07

A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE. IF YOU DESIRE LEGAL ADVICE CONSULT AN ATTORNEY. THIS STANDARDIZED DOCUMENT FOR USE IN SIMPLE TRANSACTIONS HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS IN FORM ONLY. NO REPRESENTATION IS MADE AS TO APPROVAL OF SUPPLEMENTS NOT PUBLISHED BY CAR, THE LEGAL VALIDITY OF ANY PROVISION, OR THE ADEQUACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. IT SHOULD NOT BE USED IN COMPLEX TRANSACTIONS OR WITH EXTENSIVE RIDERS OR ADDITIONS

*[Handwritten signature]*

I CRAIG LAKE TRANSFER  
80 Acres for JC's Bentley  
SGBBR53W6C036543 - "C"



from the desk of **CRAIG LAKE**

**PERSONAL  
NUMBERS**

**Craig Lake**

**7951 Broadway  
Lemon Grove,  
CA. 91945.4425**

**Office:**

**619-462-1834  
Fax: 619.462-1833  
Cell: 619-279-1737  
E-mail  
COLake@cox.net**

October 18, 2007

Bruce C. Smith  
Assistant United States Attorney  
Federal Office Building  
880 Front Street, Room 6293  
San Diego, CA 92101-8893

**RE: 2006 Bentley Flying Spur**

Dear Mr. Smith:

First let me apologize for taking so much time to get this information to you. I kept adding to the letter until it was more of a book than a letter of information. It is hard to say all I want to say without ending up just rambling and rambling. This is an outline type letter. If you have questions, I can meet with you. This is so important because this is my car and not Jeremy's car. He drug things out and had excuses but on February 28, 2007 I squeezed the title out of him. "A" ATTACHED

1. In the middle of the month of February 2006 (yes, not a typo 2006 is correct) we met when we were both considering investing in a bottled water production company. I went to one explanation of the product and did no followup. However, this car in the lot was the most magnificent piece of beauty. Jeremy said he bought the car on a whim and he was sorry he bought the car. "It wasn't he" so to speak. I told him I don't have the kind of money to ever buy a car like that, but, if he ever would consider a land trade, I would come running. I have a few collectable cars. I build street rods. I am the founding member and charter president (1974) of a car club called "Over The Hill Gang." The club is still very active and said to be one of the largest in the land. I live and breathe cars. I have restored many cars and currently I am very active in the restoration and preservation of military vehicles. I have from old jeeps to 10 wheel radar shop trucks. The Military Vehicles Preservation Association is in many local parades. We attend the air shows as far away as Hemet. I attend meets all the way to the National Guard of Mesa, Arizona.

2. In March Jeremy wanted to "see what I have to Offer in the way of land." We made a deal on property I had in Utah. I called my insurance agent and asked him to find out how much the Bentley would cost to insure. I took the car to his office. When my policy came up for renewal, my agent, not knowing the status of the car, and me telling him it would be any day now, but someone else was driving the car, my

"C"

"B"

insurance agent listed the Bentley on the policy "Vehicle Exclusion" list. I have attached a copy of the insurance policy's pertinent page. The agent is Tim Horton, (619-465-9100). I was praising God for the gift. I couldn't believe it. A Bentley; a new one; an awesome one. One excuse lead to another and transfer time kept getting postponed. It did have the air conditioning explode. I was in the car. It took time to repair. He said he went off the left lane of an L.A. freeway and had to have body work done to the car. Special wheels were to come with it and he wanted to be sure they were installed. I had the car in November. I drove to the election night parties at the San Diego Westgate Hotel. I was on cloud nine. I agreed to donate a "night chauffeur in a Bentley" to a fund raiser being organized by Mary England. (I can give you her number but sure are apathetic about her getting a call from the U.S. attorney's office - maybe a letter or statement would be OK. She is a Lemon Grove City Councilwoman)

3. Jeremy wanted to get the car serviced. It was due to have something done. He took the car, I agreed it was the best thing to do prior to filing papers with the D.M.V. I wasn't sure how the service plan transferred or how the warranty transferred.

4. Time went fast during the holidays We talked only a few times. He had renewed the insurance and the car was parked and I was still researching transfer D.M.V. costs and if a company owning the car could transfer without sales tax. If I had to pay the normal seven (something) % on market value, using the value on your letter, one could have to pay twelve thousand dollars. I am Pastor of the church at Campland on the Bay. I have for more than 16 years. I did a Sunday message about being careful about what you pray for; you may not be able to afford it. I vaguely told the story about the Bentley.

5. However, on February 27, 2007, Jeremy called me. I was in Los Angeles. He told me to meet him at a restaurant. A Fuddrucker's. He wanted to complete the trade. I hurried to the place. I had in my vehicle a contract that was faxed to me by a person wanting to offer on a piece of property I had listed. (See a fax date on the top of the document. I know it is a messy page. But this was my chance. The paper was adopted to work by crossing out some lines and filling in margins. I felt it would be a written expression, as fractured as it was, to be legal. I have enclosed a credit card receipt from a gas station in the area on the date that I met with Jeremy. The arrow points to the transaction. I stayed in the area and he delivered the title to me the next day. I couldn't drive two cars. I still had to ascertain research on how to title. He had a paid insurance policy that we decided to continue until the renewal date. We agreed the car would not be driven. I agreed to anything. I wanted that car and I finally owned it. I held the 2006 Bentley ownership papers in my hand. Life could not be any better.

6. Then the bump in the road. (Ha Ha) bump heck! The day after I brought the car home I parked the car outside my balcony. I sat looking over the balcony and drooled over the car until I had to get to work. My son came by. I generously allowed him to park the car in my parking place in the under ground garage. It turned out to not be the kind of thrill we had anticipated. All of the sudden my son and I were surrounded

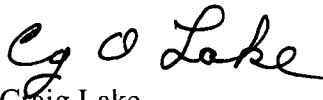
park the car in my parking place in the under ground garage. It turned out to not be the kind of thrill we had anticipated. All of the sudden my son and I were surrounded by what appeared to be an army of fire power. They took my dream car. I only had it a short time again. The rest of the story is history to you.

I gave Jeremy a Bill of Sale and Escrow instructions for the Land Basin Title Company. I keep checking but the land is not transferred. I really own this car. If his possessions are to be lost from his ownership, I can give you the Bill of Sale. However, the transfer document I wrote up for him transferred the land to an investment company. Jeremy said the land belongs to the investors and not him.

Yes, this is a shortened version. Sorry for the length but I wanted to try and explain the entire picture, so to speak. I pray you can see that I had title and possession. I don=t believe the car should have been taken from me. I don=t believe, if circumstances dictate that he gets a release of seized possessions, that he should get the car. It should be returned to me. If circumstances dictate that seized possessions remain, I should get the car and the government gets the land.

I stand ready to be of any assistance you may require. I have tried to support all my long line of happenings.

Respectfully,

BY:   
Craig Lake

COL/hs